

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET

P.O. BOX 942732

CRAMENTO, CA 94234-7320



December 19, 1991

Letter No.: 91-118

TO: All County Welfare Directors  
All County Administrative Officers  
All County Medi-Cal Program Specialists/Liaisons

SUBJECT: QMB MAILER AND THE QMB STANDARD AND PARENTAL ALLOCATION

REFERENCE: 90-109, 91-04

Enclosed is a copy of the mailer explaining the Qualified Medicare Beneficiary (QMB) program which will be sent at the end of January 1992 to approximately 100,000 Supplemental Security Income (SSI) recipients who either are paying for Medicare Part A or who are on Buy-In and not receiving Part A. SSI recipients received a similar notice last year. This new notice will specify that for 1992, an individual may have no more than \$572 income (\$552 + \$20 disregard). The 1992 income level continues to be based on 100 percent of the federal poverty level. When the poverty level changes in the spring, we will inform counties of the new amount. Please remember to disregard the January 1992 Social Security Title II cost-of-living adjustment (COLA) in determining QMB income eligibility for the first three months (April 1992).

As stated in previous All County Welfare Directors Letters (ACWDLs), SSI recipients need not apply in person for QMB benefits. Eligibility workers should use the information on the Medi-Cal Electronic Data System (MEDS) to verify income. As previously stated in ACWDL 91-04, the \$20 any income deduction has already been deducted from the individual's income when viewing MEDS under "Income and Payment Information"; therefore, there is no need to add it to the total figure indicated on MEDS. If an SSI couple is applying for QMB benefits, treat them as individuals.

If an individual is income eligible but has no Medicare Part A enrollment and is on Buy-In, please send an SSA 795 form and the cover letter (enclosed) and a Notice of Action informing him/her to send the form to the Great Lakes Program Service Center prior to March 31, 1991. MEDS should show this individual in a pending (899) QMB status. Those who already pay for Part A, those who recently became eligible and are in their initial enrollment period, or those who have presented evidence that they have enrolled in Part A as a "conditional" QMB at the Social Security Administration (SSA) Office are not required to send an SSA 795 form. These individuals, if income eligible, should be placed in active QMB status on MEDS.

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To prevent problems which we have had in the past, please enter the SSI recipient's name, Medicare claim number (HIC), and the name of the Medicare beneficiary (some may be different) on the SSA 795 form. Those individuals without a HIC number (have no Part B Medicare) are probably not eligible for QMB benefits and should not be given this form. Have these individuals apply for Medicare Part A directly at the local SSA office.

No mailers will be sent to individuals who are currently enrolled in premium free Medicare Part A since there are no additional benefits available to them.

The 1992 QMB "Standard Allocation" and "Parent Allocation" for determining income eligibility is based on the annual federal benefit rate (FBR) which is based on the COLA. The Standard Allocation increased from \$203 in 1991 to \$211 for 1992 (the couple FBR minus the individual FBR). The Parent Allocation for 1992 is determined as follows:

1. When there is earned and unearned income or when there is unearned income only:
  - o The parent allocation (if one ineligible parent lives with the child) is \$422 (individual FBR).
  - o The parent allocation (if both ineligible parents live the child) is \$633 (couple FBR).
2. o When there is earned income only:
  - o The parent allocation (when one ineligible parent lives with a child) is \$844 (2 x FBR for an individual).
  - o The parent allocation (when both ineligible parents live with child) is \$1266 (2 x a FBR for a couple).

The 1992 Medicare Part A premium is \$192.00. The Part A deductible is \$652. The Medicare Part B premium is \$31.80. The Part B deductible is \$100.

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If you have any program questions, please contact Marge Buzdas at (916) 657-0726, CALNET 437-0726. For QMB income questions, please contact Bonnie Kinkade at 657-1469, CALNET 437-1469.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

Enclosures

## **A MEDI-CAL PROGRAM FOR LOW-INCOME MEDICARE BENEFICIARIES**

This bulletin is for your information and requires NO ACTION ON YOUR PART unless you wish to apply for the following program. If you are eligible but you do not wish to enroll in the program, there will be no change in your regular Medi-Cal benefits.

A new federal program for certain low-income Medicare beneficiaries started on January 1, 1990. If you qualify, you will be eligible to have the Medi-Cal program pay your Medicare Part A hospital premiums, coinsurance, and deductibles.

If you are paying a monthly premium for Part A Medicare (hospital) benefits, or you do not receive Part A benefits because you cannot afford to pay this premium, you may be eligible for this program if your monthly income or your share of the monthly income of you and your spouse is less than \$572. Do not count your Supplemental Security Income/State Supplementary Payment (SSI/SSP) program check. If you qualify, you will be eligible to have the Medi-Cal program pay your Medicare Part A premiums, coinsurance, and deductibles.

Although Medi-Cal and Medicare cover similar services (benefits), Medicare Part A benefits may provide a slightly wider choice of hospitals and other health care facilities (nursing homes, etc.) depending on where you live.

If you are eligible for Medicare Part A benefits, but not currently receiving this benefit, you must apply prior to March 31, 1992. For more information on how to apply for the Qualified Medicare Beneficiary Program, please contact your local county department of social services office.

## COVER SHEET FOR THE SSA 795 MEDICARE HOSPITAL INSURANCE ENROLLMENT FORM

### A NEW BENEFIT MAY BE AVAILABLE TO YOU- MEDICARE *HOSPITAL INSURANCE*

There is a new benefit under the Medi-Cal program you may want to have. Under a new law, if you want to have Medicare *Hospital Insurance* (Part A), we may be able to buy it for you and pay the premiums, deductibles, and coinsurance. We are already paying for your Medicare *Medical Insurance* (Part B), for doctors' services and some other medical items and services. However, before we can pay for your Part A *Hospital Insurance*, you must be a "Qualified Medicare Beneficiary".

### WHY SHOULD YOU ENROLL FOR HOSPITAL INSURANCE?

With Medicare *Hospital Insurance*, you may have a wider choice of hospitals in which to receive care depending on where you live. Medicare *Hospital Insurance* may provide slightly different benefits than the Medi-Cal program.

### WHAT HAPPENS IF YOU DO NOT WISH TO BECOME A QUALIFIED MEDICARE BENEFICIARY?

If you do not wish to enroll, we will continue to pay your Part B Medicare Medical Insurance, coinsurance and deductible, and your regular Medi-Cal will continue unless you no longer meet the eligibility requirements for the Medi-Cal program. You still are covered for all necessary medical care, including full hospitalization.

### WHO CAN BECOME A "QUALIFIED MEDICARE BENEFICIARY?"

To become a Qualified Medicare Beneficiary:

1. Your income must be at or below a federal limit which is a percentage of the federal poverty level.
2. Your property must be at or below twice that of the Medi-Cal property limit.
3. You must meet other requirements of the regular Medi-Cal program such as residency.
4. You must have Medicare Part A Hospital Insurance.

If you are not entitled to free Medicare *Hospital Insurance* and must pay a monthly premium, we will pay the premium for you if you meet the 4 requirements shown above.

### WHAT YOU SHOULD DO TO ENROLL

You have already been determined to qualify for the first, second, and third steps because your income and property is at or below the federal limit and you meet other Medi-Cal program requirements. If you want to become a Qualified Medicare Beneficiary, the last step is to sign the enclosed Form SSA 795 and mail it by March 31st. to:

Great Lakes Program Service Center  
P. O. BOX 5740  
Chicago, Illinois 60680

The Social Security Administration will tell us when  
I meet the *Hospital Insurance* requirements.

### **WHAT HAPPENS IF YOU ENROLL IN HOSPITAL INSURANCE?**

If you meet all the requirements, we will then make  
you a Qualified Medicare Beneficiary and will begin  
paying your Medicare *Hospital Insurance*  
premiums, deductible, and coinsurance in July.  
You will receive the same Medicare Catastrophic  
benefits as other Medicare beneficiaries, plus the  
benefit of having the Medi-Cal program pay for  
other Part A costs. We will continue to pay your  
Part B Medicare Medical Insurance premium,  
deductible, and coinsurance.

### **WHAT HAPPENS IF YOU DON'T ENROLL ON TIME?**

To enroll this year, you must mail the enclosed  
form by March 31st. If you don't, you must wait  
until January, February or March of the following  
year for your next chance to enroll in *Hospital  
Insurance*.

### **WHAT HAPPENS IF YOU ARE NO LONGER A QUALIFIED MEDICARE BENEFICIARY?**

If you are no longer a Qualified Medicare  
Beneficiary because your income or property has  
increased, or you fail to meet other Medi-Cal  
requirements, we will not be able to continue to  
pay your *Hospital Insurance* premium. If you want  
to keep the Medicare *Hospital Insurance*, you will  
have to pay the premium yourself.

### **WHAT SHOULD YOU DO IF THE INFORMATION ON THE FORM IS INCORRECT?**

If your pre-printed name and Health Insurance  
Claim number is incorrect, please make pen and  
ink changes and please print. Then proceed to  
complete and mail the form.

### **MEDI-CAL ESTATE RECOVERY**

Medi-Cal benefits received by a beneficiary after  
age 65 are recoverable by the state after death  
under certain conditions. Recovery may be made  
from the estate or distributee/heir of the Medi-Cal  
beneficiary if the beneficiary does not leave a  
surviving spouse, minor children, or a totally  
disabled child.

### **IF YOU HAVE ANY QUESTIONS**

If you have any questions, you should call or write  
to your eligibility worker at your local welfare office  
for more information.

Name and Address

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REQUEST TO ENROLL FOR HOSPITAL  
INSURANCE UNDER MEDICARE

\_\_\_\_\_  
Name of Medicare Beneficiary

\_\_\_\_\_  
Medicare Claim Number

I wish to enroll for *Hospital Insurance* under Medicare on a monthly premium basis, which is in addition to my current coverage for medical insurance. I understand that the state will pay my premium based on my eligibility to Medicaid (Medi-Cal) as a qualified Medicare beneficiary. I also understand that if I am terminated under Medi-Cal as a qualified Medicare beneficiary I will have to pay my premium in order to keep my Medicare *Hospital Insurance*.

Please sign and date this form.

\_\_\_\_\_  
Signature  
(First name, middle initial, last name)

\_\_\_\_\_  
Date

Return this form to:

Great Lakes Program Service Center  
P.O. Box 5740  
Chicago, IL 60680